

Message Text

LIMITED OFFICIAL USE

PAGE 01 MOSCOW 03128 010340Z

ACTION EUR-12

INFO OCT-01 ARA-10 ISO-00 EB-08 SOE-02 AID-05 CEA-01

CIAE-00 DODE-00 H-01 INR-10 INT-05 L-03 NSAE-00

OMB-01 PM-05 OES-07 SP-02 SS-15 STR-07 TRSE-00

ACDA-12 PA-01 NSCE-00 SSO-00 USIE-00 INRE-00

FRB-03 XMB-02 OPIC-03 LAB-04 SIL-01 /121 W

-----070638 010345Z /64

O 281521Z FEB 78

FM AMEMBASSY MOSCOW

TO SECSTATE WASHDC IMMEDIATE 8376

USDOC WASHDC

INFO AMEMBASSY BELGRADE

AMEMBASSY BUCHAREST

AMEMBASSY BUDAPEST

USINT HAVANA

AMEMBASSY PRAGUE

AMEMBASSY SOFIA

USMISSION USBERLIN

USMISSION USNATO

AMEMBASSY WARSAW

AMCONSUL LENINGRAD

USDOE WASHDC

LIMITED OFFICIAL USE MOSCOW 03128

USDOC FOR BEWT

E.O.11652: N/A

TAGS: ECON, ENRG, JOCI, UR

SUBJECT: USSR REPORTEDLY WILL RAISE SOME PRICES
SIGNIFICANTLY MARCH 1

REF: (A) 77 MOSCOW 346

SUMMARY: INFORMATION FROM LENINGRAD STRONGLY INDICATES

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 MOSCOW 03128 010340Z

THAT SOVIET GASOLINE PRICES WILL DOUBLE TOMORROW, MARCH 1.

MOSCOW INDICATIONS ARE THAT THERE WILL ALSO BE PRICE RISES

-- SOME PERHAPS STEEP -- PRINCIPALLY ON "LUXURY" GOODS

SUCH AS COFFEE, DIAMONDS, GOLD, WOOL AND SOME LIQUORS.

STATE COMMITTEE ON PRICES CHAIRMAN GLUSHKOV HAS SCHEDULED A

PRESS CONFERENCE FOR 10 A.M. TOMORROW, MARCH 1. END

SUMMARY.

1. IN BOTH LENINGRAD AND MOSCOW THERE ARE STRONG RUMORS THAT GASOLINE PRICES ARE TO DOUBLE. THE UPI MAN IN LENINGRAD HAS CHECKED AT SEVERAL GASOLINE STATIONS THERE AND BEEN TOLD THAT THIS IS CORRECT AND THAT IT WILL AFFECT REGULAR OCTANES AS WELL AS EXTRA (95 OCTANE).
2. IN MOSCOW A RANGE OF SOVIET CONTACTS -- FROM MAIDS TO STORE CLERKS -- REPORT THAT THERE WILL BE A NUMBER OF PRICE INCREASES ANNOUNCED TOMORROW. PRODUCTS MENTIONED INCLUDE SUCH "LUXURIES" AS COFFEE, DIAMONDS, GOLD, WOOL AND LIQUOR. THE PRICE OF COFFEE IS RUMORED TO GO TO 20 RUBLES PER KILO; BY CONTRAST, THE PRICE HAS BEEN 72 KOPEK PER 150 GRAMS (OR 4.80 RUBLES PER KILO). ACCORDING TO ONE RELIABLE SOURCE WHO HAS A FRIEND WHO IS A CLERK IN A GROCERY STORE, CLERKS WERE WORKING OVER THE PAST WEEKEND IN ORDER TO CHANGE THE PRICE LISTS AND HAVE THEM READY.
3. THE FINAL BIT OF EVIDENCE IS THAT STATE PRICE COMMITTEE CHAIRMAN GLUSHKOV HAS CALLED A PRESS CONFERENCE FOR 10 A.M. TOMORROW MORNING, MARCH 1, AND THE FOREIGN PRESS HAS BEEN INVITED.
4. COMMENT: LAST YEAR'S PRICE CHANGES, WHICH OCCURRED SOMEWHAT EARLIER IN THE YEAR, WERE PRECEDED BY A LONGER PERIOD OF RUMORS, BUT THIS TIME THE RUMORS HAVE BEEN QUITE SPECIFIC AND IN THE CASE OF GASOLINE HAVE BEEN CONFIRMED LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 MOSCOW 03128 010340Z

AT THE RETAIL LEVEL IN ADVANCE OF THE OFFICIAL ANNOUNCEMENT. USEFUL ANALYSIS WILL HAVE TO AWAIT THE FULL LIST OF PRICE CHANGES. AT FIRST GLANCE, HOWEVER, SIGNIFICANTLY RAISING THE PRICE OF GASOLINE LOOKS LIKE A FIRST, THE USE OF PRICE TO AFFECT DISTRIBUTION AND PERHAPS VOLUME OF EFFECTIVE DEMAND. MATLOCK

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: NATURAL GAS, PRICES
Control Number: n/a
Copy: SINGLE
Draft Date: 28 feb 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978MOSCOW03128
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780093-0130
Format: TEL
From: MOSCOW
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t1978024/aaaaacsx.tel
Line Count: 100
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 4e0508d4-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 77 MOSCOW 346
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3555573
Secure: OPEN
Status: NATIVE
Subject: USSR REPORTEDLY WILL RAISE SOME PRICES SIGNIFICANTLY MARCH 1
TAGS: ECON, ENRG, UR
To: STATE COM
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/4e0508d4-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014